COASTAL CONSERVANCY

Staff Recommendation March 29, 2012

LAS TUNAS BEACH ACQUISITION

Project No. 12-004-01 Project Manager: Joan Cardellino

RECOMMENDED ACTION: Authorization to disburse up to \$2,920,000 to the Mountains Recreation and Conservation Authority to purchase five contiguous undeveloped lots on Las Tunas Beach for the purpose of providing public access to the coast.

LOCATION: Las Tunas Beach, City of Malibu

PROGRAM CATEGORY: Public Access

EXHIBITS

Exhibit 1: Project Location and Site Map

Exhibit 2: <u>Property Photos</u>

Exhibit 3: <u>Project Letters</u>

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31400 *et seq.* of the Public Resources Code:

"The State Coastal Conservancy hereby authorizes disbursement of up to two million nine hundred twenty thousand dollars (\$2,920,000) to the Mountains Recreation and Conservation Authority (MRCA) to acquire five contiguous, undeveloped coastal lots in Malibu (Los Angeles County Assessor's Parcel Numbers 4449-007-013 through -017) for the purpose of providing public access and recreation, subject to the following conditions:

- 1. Prior to the disbursement of funds for acquisition, MRCA shall submit for the review and approval of the Executive Officer of the Conservancy all relevant acquisition documents, including, but not limited to, appraisal(s), environmental assessments, agreement of purchase and sale, escrow instructions, and documents of title necessary to the acquisition.
- 2. MRCA shall pay no more than fair market value for the property.
- 3. MRCA shall permanently dedicate the property for open space preservation and public access and recreation in a manner acceptable to the Executive Officer.

4. MRCA shall acknowledge Conservancy funding by erecting and maintaining on the property a sign that has been reviewed and approved by the Executive Officer."

Staff further recommends that the Conservancy adopt the following findings:

"Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

- 1. The proposed project is consistent with the current Project Selection Criteria and Guidelines.
- 2. The proposed authorization is consistent with the purposes and objectives of Chapter 9 of Division 21 of the Public Resources Code, regarding a system of coastal accessways.
- 3. The proposed project will serve greater than local needs."

PROJECT SUMMARY:

Staff recommends a grant of up to \$2,920,000 to the Mountains Recreation and Conservation Authority (MRCA), including \$2.9 million as the purchase price and \$20,000 for closing costs, to acquire five contiguous undeveloped lots on Las Tunas Beach in Malibu for the purpose of providing public access to the coast. The owner of the property, Norman Haynie, wants to sell the property to a public entity that will preserve the property for open space and public access and, as possible, develop it for public beach access and recreational use. The property is currently zoned for single-family residential use. However, under this land use designation, public open space and recreation may be permitted (see Exhibit 3).

Mr. Haynie is offering the property to MRCA at the significantly reduced price of \$2.9 million, but needs to conclude the transaction as soon as possible. Under an appraisal done in February 2012 that Conservancy staff is currently reviewing, the five parcels have been appraised at \$3.8 million.

Increasing public coastal access in Malibu is a high priority for the Conservancy and acquisition of these parcels would be of great public benefit. Much of Malibu's coast is so constrained by development that for long stretches of coastline views of the ocean are rare. In those highly developed areas the only possibility for public access to the shoreline is on narrow pedestrian easements, whereas the property at Las Tunas Beach would provide desirable viewing access as well as pedestrian access.

By authorizing this grant to MRCA, the Conservancy will ensure that the property can be acquired in a timely fashion. Mr. Haynie is under financial pressure to sell the property and MRCA can complete the transaction within the time frames needed. Once acquired, MRCA, with the assistance and involvement of the Conservancy, would plan and design appropriate public access facilities for the site.

MRCA is a joint powers agency formed in 1985 to manage open space and parkland, watershed lands, trails and wildlife habitat in Los Angeles and Ventura counties. MRCA has constructed numerous park and access facilities and operates and manages almost 60,000 acres of public lands, including managing the Conservancy's accessway on Escondido Beach and providing site management assistance at two other Conservancy-owned coastal properties in Malibu.

Site Description: Las Tunas Beach lies on the eastern end of Malibu. The five parcels proposed for acquisition collectively span 290 linear feet of beachfront. The westernmost lot contains a flat bluff at the same elevation as PCH, potentially providing an optimal location for visitor amenities such as parking and picnicking. Las Tunas State Beach lies immediately to the east, separated from the subject lots by one residence. (Exhibit 1). Although much of the beach sand erodes away in winter, similar to most beaches in Malibu, it is a sandy beach during the summer and fall months. (See Exhibit 2)

Project History: Mr. Haynie contacted Conservancy staff in January of this year, indicating a desire to sell the beach lots at a deeply discounted price and seeking Conservancy assistance. MRCA agreed to purchase the property with a grant from the Conservancy and to hold and manage it, in order to facilitate realization of this unique opportunity.

PROJECT FINANCING

Coastal Conservancy

 Purchase Price
 \$2,900,000

 Closing Costs
 20,000

Total Project Costs

\$2,920,000

Funds for this project are expected to come from an appropriation to the Conservancy in fiscal year 2011-12 from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84). Proposition 84 authorizes the use of bond funds for the protection of beaches, including projects that promote access to and enjoyment of coastal resources and that are consistent with the Conservancy's enabling legislation (Public Resources Code Section 75060). The proposed acquisition will preserve a section of Las Tunas Beach from development and will provide public access directly to the coast and the ocean for the enjoyment of visitors to Malibu. Further, the project is consistent with the Conservancy enabling legislation as detailed below.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project will be undertaken pursuant to Chapter 9 of Division 21(Public Resources Code Section 31400 et seq.), regarding the provision of public access to and along the coast. Under Section 31400.1, the Conservancy is authorized to award grants to any local public agency to acquire land for public access purposes, provided that the Conservancy finds that the acquisition will serve more than local interests. As is true of all public beaches in Malibu, the beach property proposed for acquisition will be used by the millions of outside visitors to Malibu each year. This acquisition is also consistent with Section 31400.2 which permits the Conservancy to provide up to the total cost of the acquisition of interests in lands, provided that

the Conservancy determines the amount of funding after considering the factors that are addressed in the "Consistency With Conservancy's Project Selection Criteria & Guidelines" section, below.

CONSISTENCY WITH CONSERVANCY'S 2007 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):

Consistent with **Goal 1, Objective G** of the Conservancy's 2007 Strategic Plan, the proposed project will secure real property to facilitate the development of the Coastal Trail and a waterfront park.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines, last updated on November 10, 2011, in the following respects:

Required Criteria

- 1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.
- 2. Consistency with purposes of the funding source: See the "Project Financing" section above.
- 3. **Support of the public:** This project is supported Surfrider's Foundation, Assemblymember Brownley and Senator Pavley. See letters in Exhibit 3.
- 4. Location: The proposed project is located within the coastal zone of the City of Malibu.
- 5. **Need:** Without Conservancy funding assistance, this acquisition could not move forward in a timely manner.
- 6. **Greater-than-local interest:** The City of Malibu has 27 miles of coastline and attracts visitors from all over the region and the world. Providing access to the coast will serve these visitors.
- 7. **Sea level rise vulnerability:** Consistent with Executive Order S-13-08, for new projects located in areas vulnerable to future sea level rise, planning shall consider a range of sea level rise scenarios in order to assess project vulnerability and, to the extent feasible, reduce expected risks and increase resiliency to sea level rise. The beach elevation ranges from 3 to 12 feet, depending on the season. With rising sea levels, the amount of beach that will be inundated will increase in frequency and duration. However, there will be sandy beach of varying widths that could be accessed by the public, given the necessary site improvements. At a minimum, the site will provide viewing access from the blufftop and from Pacific Coast Highway, which alone would be worth the acquisition cost.

Additional Criteria

8. Urgency: The property owner is facing foreclosure and a developer interested in constructing homes on the subject lots has made an offer. Funding for public acquisition needs to move forward immediately to safeguard this property from development.

9. **Readiness**: MRCA is prepared to complete the acquisition as soon as funds are available.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The City of Malibu's Land Use Plan Policy C.2.1 states "The shoreline, parklands, beaches and trails located within the City provide a wide range of recreational opportunities in natural settings which include hiking, equestrian activities, bicycling, camping, educational study, picnicking, and coastal access. These recreational opportunities shall be protected, and where feasible, expanded or enhanced as a resource of regional, state and national importance." The proposed acquisition would expand public access opportunities.

COMPLIANCE WITH CEQA:

The acquisition of the Las Tunas Beach property is categorically exempt from review under the California Environmental Quality Act (CEQA) pursuant to 14 Cal. Code of Regulations, Section 15316. Section 15316 exempts acquisition of land to create a park, where the land is in a natural condition and no management plan has been prepared for the park use. Here, the land is undeveloped and the planning for development of the property as a public beach and recreational area has not yet been initiated.

Upon Conservancy approval of the proposed authorization, staff will file a Notice of Exemption for the project.